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Proposed Counsel for Debtor and Debtor in Possession

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

In re: RP BROADCASTING IDAHO, LLC, Debtor and Debtor in Possession. Tax ID Number: 81-3941697	Bankruptcy Case No. 16-28578 Chapter 11 Honorable William T. Thurman
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**MOTION OF DEBTOR FOR AN INTERIM AND FINAL ORDER (I) AUTHORIZING
USE OF CASH COLLATERAL PURSUANT TO 11 U.S.C. § 363 AND GRANTING
ADEQUATE PROTECTION TO SECURED CREDITOR AND (II) SCHEDULING A
FINAL HEARING PURSUANT TO BANKRUPTCY RULE 4001(B)**

RP Broadcasting Idaho LLC, a Utah Limited Liability Company, (“Debtor”), the above-captioned debtor and debtor in possession herein, hereby moves this Court for entry of an Interim Order: (i) authorizing the Debtor, pursuant to sections 105 and 363 of the United States Bankruptcy Code, to use cash collateral, including immediate access to, and utilization of, the Debtors’ accounts and proceeds therefrom and to grant adequate protection to the Debtor’s prepetition secured creditor (Chaparral Broadcasting, Inc.) (“Creditor”), as detailed herein;

(ii) scheduling a final hearing (the “Final Hearing”) on the Debtor’s use of cash collateral for no earlier than fifteen days from the date hereof and approving notice with respect thereto; and (iii) pending the Final Hearing, authorizing the Debtor to use cash collateral conditioned on a grant of security interest to the Creditor in replacement accounts on an interim basis in amounts as may be necessary to prevent immediate and irreparable harm to the Debtor’s estate (the “Application”), and respectfully represents as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157(b) and 1334. This is a core proceeding pursuant to 28 U. S. C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory bases for the relief requested herein are sections 105, 361, 362, 363, and 364 of title 11 of the United States Code (11 U.S.C. §§ 101 et. seq., the “Bankruptcy Code”) and Rules 2002, 4001, and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

BACKGROUND

3. On September 22, 2016 (“Petition Date”) the Debtor filed a voluntary petition under chapter 11 of title 11 of the United States Code. Since that time, the Debtor has functioned as Debtor and Debtor in Possession as defined under the Bankruptcy Code.

4. The Debtor owns and operates radio broadcast stations located in Jackson Hole Wyoming, Sun Valley, Idaho and Island Park, Idaho. Those stations consist of the following radio broadcast stations: KMTN-FM; KZJH-FM; KJAX-FM; and KSGT-AM, licensed to Jackson Hole, Wyoming; KECH-FM; KSKI- FM, and KYZK-FM, licensed to Sun Valley,

Idaho; and KOUW-FM, licensed to Island Park, Idaho (all of the foregoing collectively the “Stations”), pursuant to authorizations issued by the Federal Communications Commission (the “FCC”).

5. The business is funded, in part, by selling advertising air time to various clients which sale generates accounts and cash. The Debtor’s business has operated at a net loss since its inception and also relies on advances and loans from affiliated companies to fully finance its business.

6. The radio stations were acquired pursuant to a purchase agreement dated October 18, 2012 between the Debtor as one purchaser and Chaparral Broadcasting, Inc., as seller. At the time of the purchase, the Debtor acquired certain other assets used in connection with the radio broadcast stations including an assignment of leases related to tower sites necessary to relay the broadcast signal of the Stations. The ongoing loss of money on these stations was the direct cause of the current chapter 11 filing.

7. Since the acquisition, the Jackson Hole and Island Park Stations have not been profitable and have required infusions of cash from related companies to meet expenses.

8. Prior to the Petition Date on March 26, 2013 and in connection with the purchase of the Stations, the Debtor entered into a security agreement (“Security Agreement”) with Chaparral Broadcasting Inc. (“Creditor”) which Security Agreement secured a promissory note of like date in the approximate face amount of \$2,675,000 (“Note.”). The Security Agreement granted a security interest in, among other collateral, accounts, general intangibles, and deposit accounts of the Debtor. Accordingly, Creditor may assert an interest in certain cash collateral of the Debtor as defined by the Bankruptcy Code in Section 363(a).

USE OF CASH COLLATERAL AND ADEQUATE PROTECTION

9. Subject to the full reservation of rights, defenses, causes of action, claims, and challenges by the Debtor or any other party in interest including any committee if appointed against the Creditor's secured interest, including any challenge to the nature, extent, validity or priority of such interest, the Debtor requests the use of "cash collateral" (as defined in section 363(a) of the Bankruptcy Code, the "Cash Collateral"). Without access to the Cash Collateral described herein, the Debtor will not have sufficient liquidity from unencumbered property to operate its business during the chapter 11 case. Indeed, without immediate access to the Cash Collateral, the Debtor would face shut-down and liquidation, which would destroy the Debtor's value in both the business and, for the larger part, in the collateral held by the Creditor. In essence, the Creditor would suffer a diminution of its collateral value in any shut down of the business.

10. The Debtor proposes to use Cash Collateral in accordance with the budget set forth and attached hereto as **Exhibit A** (the "Budget"), which shows, *inter alia*, the Debtor's projected costs and expenses from the Petition Date through December 2016 in connection with operating the radio stations and business. The Debtor's anticipated expenses during that period, are set forth in the Budget. Over the next 30 days, the Debtor projects that it will expend approximately \$88,000. The Debtor projects that revenue from its broadcast advertising will be approximately \$90,000. As demonstrated in the Budget, it will be necessary for the Debtor to utilize the Cash Collateral (and potentially some intra-company lending) to continue funding its operations.

11. As adequate protection for the use of such accounts and proceeds, the Debtor proposes to give a replacement lien in all accounts generated postpetition by the Debtor. In essence, the Debtor seeks to use existing cash proceeds from accounts in exchange for a replacement lien in accounts to be generated. The Budget (as supported in the declaration of Richard Mecham filed herewith, hereafter “Mecham Declaration”) projects that Debtor’s account generation will remain consistent with prepetition levels. Mecham Declaration at 11-12.

12. Section 363(c) of the Bankruptcy Code restricts a debtor’s use of a secured creditor’s cash collateral. Specifically, that provision provides, in pertinent part, that: the trustee may not use, sell, or lease cash collateral . . . unless:

- (A) each entity that has an interest in such cash collateral consents; or
- (B) the court, after notice and a hearing, authorizes such use, sale, or lease in accordance with the provisions of this section [363]. 11 U.S.C. § 363(c)(2).

13. Further, section 363(e) provides that “on request of an entity that has an interest in property . . . proposed to be used, sold or leased, by the trustee, the court, with or without a hearing, shall prohibit or condition such use, sale, or lease as is necessary to provide adequate protection of such interest.” 11 U.S.C. § 363(e).

14. What constitutes adequate protection must be decided on a case-by-case basis. See *In re O’Connor*, 808 F.2d 1393, 1396 (10th Cir. 1987); *In re Martin*, 761 F.2d 472 (8th Cir. 1985). The purpose of the adequate protection provisions in the Bankruptcy Code is to protect a secured creditor from the diminution in the value of its interest in the particular collateral during the period of use. See *In re Kain*, 86 B.R. 506, 513 (Bankr. W.D. Mich. 1988); *Delbridge v. Production Credit Assoc. and Federal Land Bank*, 104 B.R. 824 (E.D. Mich. 1989); *In re Beker*

Indus. Corp., 58 B.R. 725, 736 (Bankr. S.D.N.Y. 1986); *In re Ledgemere Land Corp.*, 116 B.R. 338, 343 (Bankr. D. Mass. 1990).

15. The Debtor's proposed adequate protection satisfies the requirements of sections 363(c)(2) and (e), and should be authorized to use the Cash Collateral. Here, the Creditor is adequately protected for any diminution in value (if any) of the Collateral resulting from the sale, lease, or use by the Debtor of the Cash Collateral by the replacement lien in new accounts and, accordingly, the Debtor submits that the Court should authorize the Debtor to use the Cash Collateral under the terms set forth above.

THE PROPOSED DIP FACILITY

16. As noted above, it has been necessary to obtain loans from affiliated companies in order to provide sufficient cash flow to operate the radio stations. Such companies who have extended credit to the Debtor consist of Rich Broadcasting Idaho LLC and RJ Broadcasting LLC (the "DIP Lenders") (Mecham Declaration at 7). Such companies have agreed to continue to provide financing under Section 364(a) of the Bankruptcy Code which provides that such financing may be obtained in the ordinary course of business on an unsecured basis with administrative priority for such lending. The Debtor intends to maintain this facility as debtor in possession financing as lending in the ordinary course of business as permitted by section 364(a) of the Bankruptcy Code. However, the Debtor seeks an order from the Court clarifying that no lien or interest of the Creditor shall attach to any amounts advanced under this facility and that such advances do not become Cash Collateral of the Creditor.

17. Section 364(a) allows for the Debtor to obtain financing on an unsecured basis with administrative priority. The DIP Lenders have agreed to provide loans to the Debtor during

the time Debtor acts as debtor in possession during the chapter 11 case in the same manner that such financing was provided prepetition. The Debtor asserts that such financing is extended in the ordinary course of business.

18. The facility provided by the DIP Lenders is not subject to any written agreement and the DIP Lenders may cancel this facility at any time.

INTERIM APPROVAL SHOULD BE GRANTED

19. Rule 4001(b) of the Bankruptcy Rules provides that a final hearing on an application to use cash collateral pursuant to section 363 may not be commenced earlier than fifteen (15) days after service of such motion. Upon request, however, the court is empowered to conduct a preliminary expedited hearing on the application and authorize the use of cash collateral to the extent necessary to avoid immediate and irreparable harm to a debtor's estate.

20. Pending a final hearing, the Court may authorize the requested relief if (i) such relief is necessary to avoid immediate and irreparable harm, including the threatened loss of a business, and (ii) Debtor establishes a reasonable likelihood of proving that the Creditor's interests will be adequately protected under section 363(e) of the Bankruptcy Code. See, e.g., *In re Ames Dep't Stores*, 115 B.R. 34, 36 n.2 (Bankr. S.D.N.Y. 1990).

21. In accordance with Bankruptcy Rule 4001(b), the Debtor requests that the Court conduct an expedited preliminary hearing on the Application (the "Preliminary Hearing") and authorize the Debtor to (i) use Cash Collateral in accordance with the Budget to avoid immediate and irreparable harm and prejudice to the Debtor's estate and all parties in interest, and (ii) utilize and expend funds advanced by the DIP Lenders.

NOTICE AND PRIOR APPLICATIONS

22. No trustee, examiner, or creditors committee has been appointed in the Debtor's chapter 11 case. Notice of this Application has been given to the United States Trustee for the District of Utah, counsel for the Debtor's prepetition secured lender, and the Debtor's twenty (20) largest unsecured creditors. Under the circumstances, the Debtor submits that no further notice is necessary or required.

23. No previous request for the relief sought herein has been made to this or any other court.

RELIEF REQUESTED

24. By this Application, the Debtor seeks entry of an Order, substantially in the **form and annexed hereto as Exhibit B**: (i) authorizing the Debtor, pursuant to section 363 of the United States Bankruptcy Code, to (A) use cash collateral and to grant adequate protection to Creditor as detailed herein, and (B) utilize the DIP facility as it existed prepetition and grant the Lenders an administrative expense claim for postpetition advances, (ii) scheduling a final hearing (the "Final Hearing") on the Debtor's use of cash collateral for no earlier than fifteen days from the date hereof and approving notice with respect thereto; and (iii) pending the Final Hearing, authorizing the Debtor to use cash collateral on an interim basis in amounts as may be necessary to prevent immediate and irreparable harm to the estate as set forth in the Budget.

WHEREFORE, the Debtor respectfully requests entry of an order granting the relief requested herein and such other and further relief as this Court deems just and proper.

DATED this 3rd day of October, 2016.

DURHAM JONES & PINEGAR, P.C.

By: /s/ Penrod W. Keith

Kenneth L. Cannon II

Penrod W. Keith

111 East Broadway, Suite 900

P O Box 4050

Salt Lake City, UT 84110-4050

Proposed Attorneys for Debtor and Debtor in Possession

CERTIFICATE OF SERVICE- BY NOTICE OF ELECTRONIC FILING (CM/ECF)

I hereby certify that on October 3, 2016, I electronically filed the foregoing MOTION OF DEBTOR FOR AN INTERIM AND FINAL ORDER (I) AUTHORIZING USE OF CASH COLLATERAL PURSUANT TO 11 U.S.C. § 363 AND GRANTING ADEQUATE PROTECTION TO SECURED CREDITOR AND (II) SCHEDULING A FINAL HEARING PURSUANT TO BANKRUPTCY RULE 4001(B) with the United States Bankruptcy Court for the District of Utah by using the CM/ECF system. I further certify that the parties of record in this case, as identified below, are registered CM/ECF users.

- Penrod W. Keith pkeith@djplaw.com, khughes@djplaw.com
- John T. Morgan tr john.t.morgan@usdoj.gov, James.Gee@usdoj.gov;Lindsey.Huston@usdoj.gov;Suzanne.Verhaal@usdoj.gov
- United States Trustee USTPRegion19.SK.ECF@usdoj.gov

CERTIFICATE OF SERVICE- MAIL, OTHER

I hereby certify that on October 3, 2016, I caused to be served a true and correct copy of the foregoing MOTION OF DEBTOR FOR AN INTERIM AND FINAL ORDER (I) AUTHORIZING USE OF CASH COLLATERAL PURSUANT TO 11 U.S.C. § 363 AND GRANTING ADEQUATE PROTECTION TO SECURED CREDITOR AND (II) SCHEDULING A FINAL HEARING PURSUANT TO BANKRUPTCY RULE 4001(B) as follows:

Mail Service to Entire Matrix - By regular first class United States mail, postage fully pre-paid, addressed to all parties who did not receive electronic service as set forth herein listed on the Official Court Mailing Matrix dated October 3, 2016 attached hereto.

/s/ Kristin Hughes

Label Matrix for local noticing

1088-2

Case 16-28578

District of Utah

Salt Lake City

Mon Oct 3 15:16:57 MDT 2016

American Tower, LLC

Lockbox 7501

P O Box 7247

Philadelphia, PA 19170-7501

ABC Radio Networks Assets, LLC

P O Box 732550

Dallas, TX 75373-2550

ASCAP

One Lincoln Plaza, 6th Floor

New York, NY 10023-7097

Ando Media, LLC

1440 Sainte Catherine West, Suite 1200

Montreal, QC H3G 1RB

Atlas Talent Agency-Naughton

15 East 32nd Street, 6th Floor

New York, NY 10016-5423

Atlas Talent Agency-Rachel McGrath Inc.

15 East 32nd Street

New York, NY 10016-5423

BMI Radio

P O Box 630893

Cincinnati, OH 45263-0893

CESD Talent Agency - Keyes

333 7th Avenue, 11th Floor

New York, NY 10001-5824

CenturyLink, Inc.

Attn: Bankruptcy Dept.

100 CenturyLink Drive

Monroe, LA 71203-2041

Chaparral Broadcasting, Inc.

Attn: Jerryold T. Lundquist, President

14 Cockenoe Drive

Westport, CT 06880-6908

Cox Business Services

P O Box 2742

Omaha, NE 68103-2742

DEX Media West, Inc.

P O Box 79167

Phoenix, AZ 85062-9167

Daves Electronics

P O Box 1328

Pinedale, WY 82941-1328

Davis Embroidery, Inc.

P O Box 6040

Ketchum, ID 83340-6040

High Country Linen Service

P O Box 1729

Jackson, WY 83001-1729

Idaho State Tax Commission

P O Box 36

Boise, ID 83722-0410

Internal Revenue Service

Centralized Insolvency Operations

P O Box 7346

Philadelphia, PA 19101-7346

Jackson Hole Chamber of Commerce

P O Box 550

Jackson, WY 83001-0550

Jackson Hole Mountain Resort

P O Box 290

Teton Village, WY 83025-0290

Katz Communications

12019 Collection Center Drive

Chicago, IL 60693-0120

Penrod W. Keith

Durham Jones & Pinegar

111 East Broadway, Suite 900

P O Box 4050

Salt Lake City, UT 84110-4050

John T. Morgan tr

US Trustees Office

Ken Garff Bldg.

405 South Main Street

Suite 300

Salt Lake City, UT 84111-3402

Paula Fleck and Matthew Kim-Miller

Holland & Hart

P O Box 68

Jackson, WY 83001-0068

Porters Office Products

1050 North 2nd East

Rexburg, ID 83440-5127

RP Broadcasting Idaho LS, LLC

1401 East Stillwood Drive

Salt Lake City, UT 84117-8044

RP Broadcasting Idaho, LLC

1401 East Stillwood Drive

Salt Lake City, UT 84117-8044

Radio Advertising Bureau

P O Box 972036

Dallas, TX 75397-2036

SBA Steel, LLC, dba SBA Structures, LLC

P O Box 952448

Saint Louis, MO 63195-2448

SESAC

P O Box 900013

Raleigh, NC 27675-9013

Strategic Media
9872 Birdie Way
South Jordan, UT 84009-9777

Teton County Treasurer
P O Box 585
Jackson, WY 83001-0585

Teton Valley Chamber of Commerce
P O Box 250
Driggs, ID 83422-0250

The Computer Guy
P O Box 2954
Ketchum, ID 83340-2954

The Hole Service LLC
167 West Center #4
Victor, ID 83455-5314

United States Trustee
Ken Garff Bldg.
405 South Main Street
Suite 300
Salt Lake City, UT 84111-3402

Utah State Tax Commission
Attn: Bankruptcy Unit
210 North 1950 West
Salt Lake City, UT 84134-9000

Vallie Richards
P O Box 299
Greensboro, GA 30642-0299

Waldron, Gary M.
9626 Candle Tree Lane
Sandy, UT 84092-3292

Wyoming Association of Broadcasters
P O Box 1387
Cheyenne, WY 82003-1387

Wyoming Department of Revenue
122 West 25th Street, 2nd Floor West
Cheyenne, WY 82002-0110

Xerox Financial Services
P O Box 202882
Dallas, TX 75320-2882

End of Label Matrix
Mailable recipients 41
Bypassed recipients 0
Total 41

EXHIBIT A

6022 · Tower Rent														
American Tower	\$13,500	\$13,500	\$13,500	\$13,500	\$13,500	\$13,500	\$13,500	\$13,500	\$13,500	\$13,500	\$13,500	\$13,500	\$13,500	\$162,000
Jackson Hole Mountain Resort	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$3,600
Lower Valley Energy, Inc	\$600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$600
Ted Austin c/o IRS	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$4,800
6022 · Tower Rent Total	\$14,800	\$14,200	\$171,000											
6024 · Repairs and Maintenance														
Daves Electronics	\$0	\$0	\$0	\$0	\$0	\$0	\$2,582	\$0	\$0	\$0	\$0	\$0	\$0	\$2,582
The Hole Service, LLC	\$0	\$0	\$0	\$0	\$0	\$0	\$252	\$80	\$100	\$0	\$0	\$0	\$0	\$432
Repairs & Maintenance	\$0	\$0	\$0	\$0	\$0	\$1,305	\$7,238	\$0	\$0	\$0	\$0	\$0	\$0	\$8,543
6024 · Repairs and Maintenance Total	\$0	\$0	\$0	\$0	\$0	\$1,305	\$10,072	\$80	\$100	\$0	\$0	\$0	\$0	\$11,557
6028 · Software Maint. & Support														
Adobe Creative Cloud	\$0	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$220
Ando Media, LLC	\$1,272	\$597	\$612	\$677	\$626	\$614	\$611	\$610	\$610	\$610	\$610	\$610	\$610	\$8,059
GODADDY.COM	\$20	\$40	\$104	\$108	\$24	\$20	\$0	\$28	\$43	\$43	\$43	\$43	\$43	\$516
GoToMyPC	\$8	\$8	\$8	\$8	\$8	\$8	\$8	\$8	\$8	\$8	\$8	\$8	\$8	\$96
LOGMEIN.COM	\$252	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$252
Marketron Broadcast Solutions	\$1,300	\$1,300	\$1,300	\$1,300	\$1,300	\$1,300	\$996	\$996	\$996	\$996	\$996	\$996	\$996	\$13,776
Paypal Money Transfer	\$0	\$0	\$0	\$0	\$0	\$0	\$8	\$0	\$0	\$0	\$0	\$0	\$0	\$8
RACKSPACE CLOUD	\$68	\$0	\$140	\$72	\$72	\$0	\$148	\$76	\$76	\$76	\$76	\$76	\$76	\$880
Rock Genius	\$0	\$0	\$0	\$0	\$72	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$72
Rumple	\$216	\$216	\$216	\$216	\$216	\$216	\$216	\$216	\$216	\$216	\$216	\$216	\$216	\$2,592
Silver Star Communications	\$852	\$368	\$600	\$600	\$596	\$604	\$608	\$616	\$616	\$616	\$616	\$616	\$616	\$7,292
VCreative	\$164	\$164	\$164	\$164	\$164	\$164	\$164	\$164	\$164	\$164	\$164	\$164	\$164	\$1,968
WOBOX	\$16	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16
6028 · Software Maint. & Support Total	\$4,168	\$2,713	\$3,164	\$3,165	\$3,102	\$2,938	\$2,775	\$2,726	\$2,749	\$2,749	\$2,749	\$2,749	\$2,749	\$35,747
6035 · Supplies														
General	\$1,928	\$60	\$0	\$0	\$0	\$60	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,048
6035 · Supplies Total	\$1,928	\$60	\$0	\$0	\$0	\$60	\$0	\$2,048						
6037 · Engineering Supplies														
Broadcast Electronics	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$273	\$0	\$0	\$0	\$0	\$0	\$273
6037 · Engineering Supplies Total	\$0	\$273	\$0	\$0	\$0	\$0	\$0	\$273						
6039 · Taxes - Property														
Property Tax Accrual	\$152	\$152	\$152	\$152	\$152	\$152	\$152	\$152	\$152	\$152	\$152	\$152	\$152	\$1,824
6039 · Taxes - Property Total	\$152	\$1,824												
6040 · Telephone Expense														
CenturyLink	\$399	\$393	\$400	\$411	\$422	\$436	\$419	\$439	\$439	\$439	\$439	\$439	\$439	\$5,075
Rise Broadband	\$168	\$168	\$168	\$168	\$168	\$168	\$168	\$168	\$168	\$168	\$168	\$168	\$168	\$2,016
6040 · Telephone Expense Total	\$567	\$561	\$568	\$579	\$590	\$604	\$587	\$607	\$607	\$607	\$607	\$607	\$607	\$7,091
6043 · Travel Expense														
General	\$244	\$12	\$360	\$433	\$212	\$844	\$360	\$344	\$351	\$351	\$351	\$351	\$351	\$4,214
6043 · Travel Expense Total	\$244	\$12	\$360	\$433	\$212	\$844	\$360	\$344	\$351	\$351	\$351	\$351	\$351	\$4,214
6045 · Buildings Utilities														
Lower Valley Energy, Inc	\$680	\$644	\$440	\$400	\$368	\$368	\$376	\$424	\$463	\$463	\$463	\$463	\$463	\$5,550
6045 · Buildings Utilities Total	\$680	\$644	\$440	\$400	\$368	\$368	\$376	\$424	\$463	\$463	\$463	\$463	\$463	\$5,550
Operating Expense Total	\$28,922	\$23,939	\$25,371	\$24,847	\$26,725	\$26,388	\$35,092	\$26,924	\$29,197	\$24,328	\$26,168	\$24,328	\$24,328	\$322,228
Payroll Expense														
7001 · Payroll Expense														
Federal Unemployment	\$129	\$74	\$45	\$10	\$9	\$2	\$4	\$7	\$35	\$35	\$35	\$35	\$35	\$420
Internal Revenue Service	\$0	\$0	\$0	\$220	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$220
IRS USA Tax Payment	\$5,734	\$5,379	\$6,059	\$5,039	\$5,034	\$5,406	\$5,158	\$6,388	\$5,525	\$5,525	\$5,525	\$5,525	\$5,525	\$66,296
Payroll Total	\$18,185	\$17,519	\$18,691	\$16,049	\$16,153	\$17,096	\$17,571	\$20,006	\$17,659	\$17,659	\$17,659	\$17,659	\$17,659	\$211,905
Wyoming Department of Workforce S	\$204	\$249	\$950	\$233	\$203	\$703	\$55	\$65	\$333	\$333	\$333	\$333	\$333	\$3,993
7001 · Payroll Expense Total	\$24,252	\$23,221	\$25,745	\$21,551	\$21,399	\$23,207	\$22,788	\$26,466	\$23,551	\$23,551	\$23,551	\$23,551	\$23,551	\$282,834
Payroll Expense Total	\$24,252	\$23,221	\$25,745	\$21,551	\$21,399	\$23,207	\$22,788	\$26,466	\$23,551	\$23,551	\$23,551	\$23,551	\$23,551	\$282,834
Programming Expense														
7051 · Music License Fees														
ASCAP	\$1,053	\$1,021	\$995	\$1,005	\$1,025	\$1,471	\$1,257	\$1,283	\$1,283	\$1,283	\$1,283	\$1,283	\$1,283	\$14,242
BMI Radio	\$787	\$793	\$796	\$808	\$813	\$824	\$828	(\$352)	\$776	\$776	\$776	\$776	\$776	\$8,401
Radio Music License Committee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$96	\$0	\$0	\$0	\$0	\$0	\$96
SESAC	\$626	\$638	\$645	\$654	\$663	\$671	\$679	\$688	\$695	\$695	\$695	\$695	\$695	\$8,044
7051 · Music License Fees Total	\$2,466	\$2,452	\$2,436	\$2,467	\$2,501	\$2,966	\$2,764	\$1,715	\$2,754	\$2,754	\$2,754	\$2,754	\$2,754	\$30,783
7052 · Outside Consulting														
Rochelle Beatty	\$364	\$364	\$364	\$364	\$364	\$364	\$364	\$364	\$364	\$364	\$364	\$364	\$364	\$4,368
7052 · Outside Consulting Total	\$364	\$4,368												
7053 · Outside Talent Fees														
Atlas Talent Agency - Naughton	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$2,100
Atlas Talent-Rachel McGrath Inc.	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$2,400
CESD Talent Agency - Keyes	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$2,400
Gary M Waldron	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$6,000
Jeremy John	\$0	\$0	\$0	\$92	\$136	\$136	\$164	\$0	\$196	\$136	\$136	\$136	\$136	\$1,132
7053 · Outside Talent Fees Total	\$1,075	\$1,075	\$1,075	\$1,167	\$1,211	\$1,211	\$1,239	\$1,075	\$1,271	\$1,211	\$1,211	\$1,211	\$1,211	\$14,032
7054 · Program Rights														
ABC Radio Networks Assets, LLC	\$1,450	\$0	\$0	\$0	\$6,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,950
7054 · Program Rights Total	\$1,450	\$0	\$0	\$0	\$6,500	\$0	\$7,950							
7055 · Program Services														
Westwood One, Inc.	\$4,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,500
7055 · Program Services Total	\$4,500	\$0	\$4,500											
7056 · Software Maint. & Support														
RCS Sound Software	\$0	\$0	\$1,209	\$360	\$0	\$1,209	\$360	\$0	\$1,368	\$360	\$0	\$1,368	\$0	\$360
7056 · Software Maint. & Support Total	\$0	\$0	\$1,209	\$360	\$0	\$1,209	\$360	\$0	\$1,368	\$360	\$0	\$1,368	\$0	\$360
7058 · Copy Right License														
License Compliance Services	\$0	\$0	\$0	\$175	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$175
7058 · Copy Right License Total	\$0	\$0	\$0	\$175	\$0	\$175								
Programming Expense Total	\$9,855	\$3,891	\$5,084	\$4,533	\$10,576	\$5,750	\$4,727	\$3,154	\$5,757	\$4,689	\$4,329	\$5,697	\$5,697	\$68,042

8001 · Station Promotions

Promotions

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Grand Total
8001 · Station Promotions Total	\$52	\$20	\$740	\$74	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$886
8002 · Advertising Costs													
DEX Media West, Inc	\$280	\$1,556	\$1,320	\$0	\$456	\$944	\$960	\$944	\$944	\$944	\$944	\$944	\$10,236
Teton Media Works, Inc.	\$0	\$0	\$0	\$640	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$640
The Spud Drive In	\$0	\$0	\$0	\$0	\$300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$300
8002 · Advertising Costs Total	\$280	\$1,556	\$1,320	\$640	\$756	\$944	\$960	\$944	\$944	\$944	\$944	\$944	\$11,176
Promotional/Advertising Total	\$332	\$1,576	\$2,060	\$714	\$756	\$944	\$960	\$944	\$944	\$944	\$944	\$944	\$12,062
TOTAL EXPENSE	\$63,361	\$52,627	\$58,260	\$51,645	\$59,456	\$56,289	\$63,567	\$57,488	\$59,449	\$53,512	\$54,992	\$54,520	\$685,165
EBITDA	(\$20,164)	(\$2,119)	(\$13,168)	(\$13,206)	(\$13,705)	(\$10,406)	(\$9,874)	(\$3,020)	(\$9,767)	\$2,170	(\$1,810)	(\$1,338)	(\$96,406)
Other Expenses													
10000 · Amortization Expense	\$4,694	\$4,694	\$4,694	\$4,694	\$4,694	\$4,694	\$4,694	\$4,694	\$4,694	\$4,694	\$4,694	\$4,694	\$56,328
10001 · Depreciation Expense	\$7,727	\$7,727	\$7,727	\$7,727	\$7,727	\$7,727	\$7,727	\$7,727	\$7,727	\$7,727	\$7,727	\$7,727	\$92,724
10002 · Interest Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AMX FEES	\$292	\$260	\$276	\$288	\$292	\$272	\$300	\$224	\$276	\$276	\$276	\$276	\$3,306
Discover Card	\$24	\$24	\$0	\$32	\$32	\$36	\$44	\$72	\$33	\$33	\$33	\$33	\$396
Jerrold Lundquist	\$5,564	\$5,564	\$5,564	\$5,564	\$5,564	\$5,564	\$5,564	\$5,564	\$5,564	\$5,564	\$5,564	\$5,564	\$66,768
VISA Card	\$0	\$20	\$20	\$20	\$20	\$20	\$28	\$6	\$17	\$17	\$17	\$17	\$201
10002 · Interest Expense Total	\$18,301	\$18,289	\$18,281	\$18,325	\$18,329	\$18,313	\$18,357	\$18,287	\$18,310	\$18,310	\$18,310	\$18,310	\$219,723
10005 · Corporate Consulting	\$2,194	\$2,194	\$2,194	\$2,194	\$2,194	\$2,194	\$2,194	\$2,194	\$2,194	\$2,194	\$2,194	\$2,194	\$26,328
Other Expenses Total	\$20,495	\$20,483	\$20,475	\$20,519	\$20,523	\$20,507	\$20,551	\$20,481	\$20,504	\$20,504	\$20,504	\$20,504	\$246,051
NET INCOME	(\$40,659)	(\$22,602)	(\$33,643)	(\$33,725)	(\$34,228)	(\$30,913)	(\$30,425)	(\$23,501)	(\$30,271)	(\$18,334)	(\$22,314)	(\$21,842)	(\$342,457)

Case 16-28578														Grand Total
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
6023 · Leased Equipment														
Xerox Financial Services	144	120	96	96	120	120	81	120	120	120	120	120		1,377
6023 · Leased Equipment Total	144	120	96	96	120	120	81	120	120	120	120	120		1,377
6024 · Repairs and Maintenance														
General	48	0	0	2,472	0	1,483	3,017	0	0	659	659	659		8,998
6024 · Repairs and Maintenance Total	48	0	0	2,472	0	1,483	3,017	0	0	659	659	659		8,998
6028 · Software Maint. & Support														
Adobe Creative Cloud	0	15	15	15	15	15	15	15	15	15	15	15		165
Ando Media, LLC	1,218	597	597	600	597	598	597	597	597	597	597	597		7,789
Cox Business Services	132	156	156	156	192	156	171	171	171	171	171	171		1,974
GODADDY.COM	15	27	78	81	18	15	0	21	21	21	21	21		339
GoToMyPC	6	6	6	6	6	6	6	6	6	6	6	6		72
LOGMEIN.COM	189	0	0	0	0	0	0	0	0	0	0	0		189
Marketron Broadcast Solutions	975	975	975	975	975	747	747	747	747	747	747	747		10,332
Paypal Money Transfer	0	0	0	0	0	0	6	0	0	0	0	0		6
RACKSPACE CLOUD	51	0	105	54	54	0	111	57	57	57	57	57		660
Rock Genius	0	0	0	0	54	0	0	0	0	0	0	0		54
Rumble	162	162	162	162	162	162	162	162	162	162	162	162		1,944
VCreative	123	123	123	123	123	123	123	123	123	123	123	123		1,476
WOOBX	13	0	0	0	0	0	0	0	0	0	0	0		13
6028 · Software Maint. & Support Total	2,884	2,061	2,217	2,172	2,196	2,050	1,938	1,899	1,899	1,899	1,899	1,899		25,013
6035 · Supplies														
General	1,446	0	0	0	0	0	0	0	0	0	0	0		1,446
6035 · Supplies Total	1,446	0	0	0	0	0	0	0	0	0	0	0		1,446
6039 · Taxes - Property														
Blaine County Tax Collector	159	0	0	0	0	171	0	0	171	0	0	171		672
Property Tax Accrual	39	39	39	39	39	39	39	39	39	39	39	39		468
6039 · Taxes - Property Total	198	39	39	39	39	210	39	39	210	39	39	210		1,140
6040 · Telephone Expense														
CenturyLink	397	377	437	425	441	458	407	445	445	445	445	445		5,167
Rise Broadband	126	126	126	126	126	126	126	126	126	126	126	126		1,512
6040 · Telephone Expense Total	523	503	563	551	567	584	533	571	571	571	571	571		6,679
6043 · Travel Expense														
General	183	9	452	329	248	634	1,770	258	485	485	485	485		5,825
6043 · Travel Expense Total	183	9	452	329	248	634	1,770	258	485	485	485	485		5,825
Operating Expense Total	12,650	9,973	9,810	12,998	11,075	11,879	16,710	11,065	15,572	10,460	11,840	10,631		144,664
Payroll Expense														
7001 · Payroll Expense														
Avesis	10	10	10	10	10	10	10	10	11	11	11	11		125
Delta Dental of Idaho	37	0	0	0	0	0	0	0	5	5	5	5		56
Federal Unemployment	134	77	45	14	7	1	5	4	36	36	36	36		431
Idaho State Tax Commission	1,377	1,118	1,244	1,352	1,050	952	1,114	1,171	1,172	1,172	1,172	1,172		14,067
Idaho Unemployment	414	382	422	370	284	260	237	220	324	324	324	324		3,884
Internal Revenue Service	0	0	0	165	0	0	0	21	21	21	21	21		248
IRS USA Tax Payment	6,142	6,655	6,729	5,414	4,650	5,298	5,401	6,127	5,802	5,802	5,802	5,802		69,624
Payroll Total	19,896	18,878	19,109	16,889	15,558	16,857	17,126	18,248	17,820	17,820	17,820	17,820		213,842
State Insurance Fund	153	243	780	315	357	339	339	342	359	359	359	359		4,302
Wyoming Department of Workforce Servi	8	10	101	11	12	89	4	4	30	30	30	30		359
7001 · Payroll Expense Total	28,171	27,373	28,440	24,540	21,928	23,806	24,236	26,126	25,579	25,579	25,579	25,579		306,935
Payroll Expense Total	28,171	27,373	28,440	24,540	21,928	23,806	24,236	26,126	25,579	25,579	25,579	25,579		306,935
Programming Expense														
7051 · Music License Fees														
ASCAP	573	555	568	574	586	841	717	733	733	733	733	733		8,079
BMI Radio	585	591	593	601	604	613	615	3,351	765	765	765	765		10,613
Radio Music License Committee	0	0	0	0	0	0	72	72	72	72	72	72		360
SESAC	625	903	916	927	940	951	962	974	987	987	987	987		11,146
7051 · Music License Fees Total	1,783	2,049	2,077	2,102	2,130	2,405	2,294	5,130	2,557	2,557	2,557	2,557		30,198
7052 · Outside Consulting														
Rochelle Beatty	273	274	275	276	277	278	279	280	281	282	283	284		3,342
7052 · Outside Consulting Total	273	274	275	276	277	278	279	280	281	282	283	284		3,342
7053 · Outside Talent Fees														
Atlas Talent Agency - Naughton	175	175	175	175	175	175	175	175	175	0	0	0		1,750
Atlas Talent-Rachel McGrath Inc.	200	200	200	200	200	200	200	200	200	0	0	0		2,000
CESD Talent Agency - Keyes	200	200	200	200	200	200	200	200	200	200	200	200		2,400
Donald Pelt	175	0	0	0	125	0	0	0	0	0	0	0		300
Doreen Thorson	150	50	50	50	50	50	50	50	50	50	50	50		700
Dorinda Donoho	0	0	1,185	1,260	1,200	1,005	1,320	600	600	600	600	600		9,630
Kyle Thilmany	0	0	0	100	0	0	0	0	0	0	0	0		100
7053 · Outside Talent Fees Total	900	625	1,810	1,985	1,885	1,950	1,630	1,945	1,225	1,225	850	850		16,880
7056 · Software Maint. & Support														
RCS Sound Software	0	1,209	0	0	1,209	0	0	1,368	0	0	1,368	0		5,154
7056 · Software Maint. & Support Total	0	1,209	0	0	1,209	0	0	1,368	0	0	1,368	0		5,154
Programming Expense Total	2,956	4,157	4,162	4,363	5,501	4,633	4,203	8,723	4,063	4,064	5,058	3,691		55,574

7. Promotional/Advertising	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
8001 · Station Promotions													
<i>Promotions</i>	0	0	45	0	750	0	0	0	0	0	0	0	795
8001 · Station Promotions Total	0	0	45	0	750	0	0	0	0	0	0	0	795
8002 · Advertising Costs													0
<i>Davis Embroidery, Inc</i>	0	0	0	0	462	0	0	0	0	0	0	0	462
<i>Mountain Rides</i>	0	594	0	0	594	0	0	594	0	0	594	0	2,376
8002 · Advertising Costs Total	0	594	0	0	1,056	0	0	594	0	0	594	0	2,838
7. Promotional/Advertising Total	0	594	45	0	1,806	0	0	594	0	0	594	0	3,633
TOTAL EXPENSES	43,777	42,097	42,457	41,901	40,310	40,318	45,149	46,508	45,214	40,103	43,071	39,901	510,806
EBITDA	(4,973)	(4,985)	(2,533)	(5,924)	(3,909)	5,687	(9,247)	(511)	(5,699)	4,563	1,595	4,765	(21,171)
9. Other Expenses													
10000 · Amortization Expense	3,624	3,624	3,624	3,624	3,624	3,624	3,624	3,624	3,624	3,624	3,624	3,624	43,488
10001 · Depreciation Expense	5,965	5,965	5,965	5,965	5,965	5,965	5,965	5,965	5,965	5,965	5,965	5,965	71,580
10002 · Interest Expense													
<i>AMX FEES</i>	219	195	207	216	219	204	225	168	168	168	168	168	2,325
<i>Discover Card</i>	18	18	0	24	24	27	33	54	54	54	54	54	414
<i>Jerrold Lundquist</i>	4,173	4,173	4,173	4,173	4,173	4,173	4,173	4,173	4,173	4,173	4,173	4,173	50,076
<i>VISA Card</i>	0	15	15	15	15	15	21	6	6	6	6	6	126
10002 · Interest Expense Total	4,410	4,401	4,395	4,428	4,431	4,419	4,452	4,401	4,401	4,401	4,401	4,401	52,941
10005 · Corporate Consulting	1,810	1,810	1,810	1,810	1,810	1,810	1,810	1,810	1,810	1,810	1,810	1,810	21,720
9. Other Expenses Total	6,220	6,211	6,205	6,238	6,241	6,229	6,262	6,211	6,211	6,211	6,211	6,211	74,661
NET PROFIT	(11,193)	(11,196)	(8,738)	(12,162)	(10,150)	(542)	(15,509)	(6,722)	(11,910)	(1,648)	(4,616)	(1,446)	(95,832)

EXHIBIT B

Kenneth L. Cannon II (3705)
Penrod W. Keith (4860)
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Proposed Counsel for Debtor and Debtor in Possession

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

In re: RP BROADCASTING IDAHO, LLC, Debtor and Debtor in Possession. Tax ID Number: 81-3941697	Bankruptcy Case No. 16-28578 Chapter 11 Honorable William T. Thurman
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**INTERIM ORDER ON DEBTOR'S MOTION FOR
AUTHORITY TO USE COLLATERAL**

On October 6, 2016, the motion ("Motion") of RP Broadcasting Idaho, LLC (the "Debtor") came for a preliminary, emergency hearing. Appearances were made as noted on the record of the hearing. The Court, having reviewed and considered the Motion, the evidence presented and proffered by the Debtor at the preliminary hearing, including the projected budget of revenues and expenses for the period between the preliminary hearing and the final hearing

scheduled for November 4, 2016, having made its findings and conclusions on the record of the hearing, which are incorporated into this Order by this reference, hereby

ORDERS:

1. The Debtor's interim use of cash and cash equivalents in material compliance with the Debtor's budget, which was admitted into evidence at the hearing and which is attached to this Order as **Exhibit A**, is approved from the date of the preliminary hearing until the Court rules on further use of cash and cash equivalents following the final hearing on the Motion.
2. As adequate protection for the use of Cash Collateral of the Secured Creditor (as defined in the Motion), the Secured Creditor shall be provided a replacement lien in all accounts of the Debtor in the same priority and amount of the Cash Collateral used by the Debtor.
3. All issues regarding the nature, extent and validity of the Secured Creditor's liens as well as the question of whether cash and cash equivalents of the Debtor constitute cash collateral under 11 U.S.C. § 363(a) is reserved and the parties may present evidence and argument on that question at the final hearing on the Motion or thereafter as may be permitted by the Court and any further order of the Court.

* * * * **END OF ORDER** * * * *

DESIGNATION OF PARTIES TO BE SERVED

Service of the foregoing INTERIM ORDER ON DEBTOR'S MOTION FOR AUTHORITY TO USE COLLATERAL shall be served to the parties and in the manner designated below:

By Electronic Service: I certify that the parties of record in this case as identified below, are registered CM/ECF users.

- Penrod W. Keith pkeith@djplaw.com, khughes@djplaw.com
- John T. Morgan tr john.t.morgan@usdoj.gov,
James.Gee@usdoj.gov;Lindsey.Huston@usdoj.gov;Suzanne.Verhaal@usdoj.gov
- United States Trustee USTPRegion19.SK.ECF@usdoj.gov

/s/ Penrod W. Keith
